

PERMIT TO OPERATE

NCU 059-12

PACIFIC GAS & ELECTRIC COMPANY,
EUREKA, CA

MARCH 17, 1998

NORTH COAST UNIFIED
AIR QUALITY
MANAGEMENT DISTRICT

2300 MYRTLE AVENUE
EUREKA, CALIFORNIA 95501

PHONE (707) 443-3093
FAX (707) 443-3099

NORTH COAST UNIFIED AIR QUALITY MANAGEMENT DISTRICT

PERMIT TO OPERATE

NCU 059-12

PACIFIC GAS & ELECTRIC COMPANY, EUREKA

LEGAL OWNER OR OPERATOR: Pacific Gas & Electric Company
1000 King Salmon Avenue
Eureka, CA 95503
Responsible Official(and Designated Representative):
Manger of Power Generation
Plant Contact: Tom Moulia, Plant Manager
707/444-0700

BUSINESS ACTIVITY: Provides electricity generation from two fossil fuel fired steam generators and two diesel fired gas turbine peaking units. The facility has a maximum electrical output of 135 MW. Electrical generation at the plant is produced on an as-needed basis to meet consumer demands.

EQUIPMENT LOCATED AT: Pacific Gas & Electric Company, Humboldt Bay Power Plant, Eureka, California. The plant is located in the northwestern portion of California within the County of Humboldt and is three miles to the south of Eureka, the County seat and about ¼ mile to the west of State Highway 101 at Buhne Point. The plant is located on relatively level coastal terrain with hills within ½ mile proximity to the east of the plant.

Whereas a timely application for a Permit to Operate has been made by Pacific Gas & Electric Company (hereinafter called the Permittee) pursuant to Regulation 5 (implementation of federal Title V operating permits and Title IV acid rain permits) of the Rules and Regulations of the North Coast Unified Air Quality Management District (hereinafter called the District), and said application has been reviewed and found complete by the Air Pollution Control Officer of said District (hereinafter referred to as the Control Officer or NCUAQMD).

Unless otherwise noted, all requirements in this PERMIT are federally enforceable. All previous operating permits and Authority To Construct(ATC) permits issued by the District or the USEPA are rescinded upon issuance of this PERMIT.

This is your Permit to Operate (hereinafter called PERMIT) subject to the following terms and conditions:

TABLE OF CONTENTS

2

Abbreviations	3
----------------------	---

Permit Units	Permit Unit No.	
A. Combustion Processes		
(1) Boiler #1	NS-020	4
(2) Boiler #2	NS-021	7
(3) Gas Turbines	NS-057	10
B. Exempt Equipment		12

General Provisions		
A. Fee Payment		13
B. Inspection and Entry		13
C. Facility Operation	13	
D. Compliance		13
E. Severability	15	
F. Recordkeeping and Reporting	15	
G. Transfer of Ownership		15
H. Reopening for Cause		15
I. Property Rights		16
J. Permit Renewal and Expiration	16	
K. Permit Modification	16	
L. Prohibitions	16	
Permit Certification , authorized signature and date	18	

LIST OF ABBREVIATIONS

Administrator	Administrator of the Environmental Protection Agency
Act	Clean Air Act
CARB	California Air Resources Board
CEMS	continuous emissions monitoring system
CFR	Code of federal regulations
CO	carbon monoxide
CO ₂	carbon dioxide
COMS	continuous opacity monitoring system
dscf	dry standard cubic foot
deg. F	degrees Fahrenheit
District North Coast	Unified Air Quality Management District
EPA	U.S. Environmental Protection Agency
gpm	gallons per minute
gr/acf	grains per actual cubic foot
gr/dscf	grains per dry standard cubic foot
lbs/hr	pounds per hour
MMBtu million	British thermal units
NO _x	nitrogen oxides
NSPS	New Source Performance Standards
O ₂	oxygen
pH	hydrogen ion concentration in a solution
ppmv	parts per million by volume
PSD	Prevention of Significant Deterioration
tpy	tons per year
unit	single emissions unit

PERMIT UNITS

A. Combustion Processes

(1) Permit Number - **NS-020(Steam Generator).**

Name - Boiler #1

I. BASIC EQUIPMENT - The permittee operates a steam generator manufactured by Babcock & Wilcox, rated at 680 million Btu/hr heat input or 533,750 lbs/hr steam output at 850 psig, 900° F. The boiler is fired with natural gas and/or fuel oil and maximum electrical generation is 52 MW.

II. CONTROL EQUIPMENT - None

III EMISSIONS LIMITATIONS

A. Particulate Matter

1. **Particulate loading** - The permittee shall not discharge particulate matter into the atmosphere in excess of 0.20 gr/dscf of exhaust gas, calculated to 12 percent CO₂ [Regulation 1, Rule 420(a)]

2. **Visible emissions** - see General Provisions, section L.

B. Sulfur Dioxide - see General Provisions, section L.

1. The permittee shall:

a. Effective January 1, 2000, the permittee shall hold allowances, as of the transfer deadline, in the unit's subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit [40 CFR 72.9(c)(1)(i)].

2. An affected unit shall be subject to the requirements under section III.B.1(NS-020) as follows:

a. Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or

b. Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).

3. Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program [40 CFR 72.9(c)(4)].

4. An allowance shall not be deducted in order to comply with the requirements under section III.B.1.a(NS-020) prior to the calendar year for which the allowance was allocated [40 CFR 72.9(c)(5)].

5. An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, this permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization [40 CFR 72.9(c)(6)].

C. Excess Emissions -

1. For any affected unit in the Acid Rain Program excess emissions in a calendar year, the designated representative shall submit a proposed offset plan, as required under 40 CFR part 77 [40 CFR 72.9(e)(1)].

2. For any affected unit in the Acid Rain Program excess emissions in a calendar year, the permittee shall:

a. Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77 [40 CFR 72.9(e)(2)(i)]; and

b. Comply with the terms of an approved offset plan, as required in 40 CFR part 77 [40 CFR 72.9(e)(2)(ii)].

IV. COMPLIANCE MONITORING

A. The following methods shall be used for determining compliance with the above emissions limitations:

1. **Particulate Matter** - CARB Method 5 or other EPA approved method.

The permittee shall be required to have particulate matter from the boiler of permit unit NS-020 tested once during a permit term should the boiler continuously fire oil during the permit term in excess of 120 hours. Once this occurs, the permittee shall have 6 months to complete the testing requirement [Regulation 1, Rule 240(d)].

2. **Visible Emissions** - EPA Reference Method 9 or other EPA approved method.

The permittee shall perform a "Visible Emission Evaluation"(VEE) at least once per quarter while the boiler fires oil should the boiler require oil firing for emergency backup purposes. A CARB certified contractor or the District shall be hired to perform such an evaluation. An emergency is defined as:

a. an interruption in natural gas service due to an unforeseeable failure, malfunction, or natural disaster, not resulting from an intentional or negligent act or omission on the part of the permittee, or

b. a natural gas supply restriction resulting from:

i. an operation of a California Public Utilities Commission approved priority allocation system, or

ii. the issuance of an Operational Flow Order or Emergency Flow Order as defined in Tariff Rule 14, "Capacity Allocation and Constraint of Natural Gas Service," implementing PG&E's Gas Accord Settlement (Application 92-12-043, et. al., approved in Decision 97-08-055).

For all non-emergency oil firing, the permittee shall be required to have a VEE performed during the startup of the boiler on fuel oil and thereafter on a weekly schedule. The VEE period shall be a minimum of six (6) minutes unless any one reading is greater than the visible emissions limit, then the observation period shall be a minimum of 60 minutes or until a violation of the emissions limit has been documented, whichever period is shorter[Regulation 1, Rule 240(d)].

A VEE shall not be required while the boiler fires on natural gas[Regulation 1, Rule 240(d)].

3. Sulfur Dioxide & Nitrogen Oxides - EPA Reference Method 6, 7E, CARB Method 100 or CEMS as applicable or other EPA approved method. Requirements specified in 40 CFR parts 74,75, and 76.

a. The permittee will install, operate at all times, and maintain a continuous monitoring system for nitrogen oxides, sulfur dioxide and a diluent as specified in 40 CFR Part 75.

b. The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with applicable Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.

c. General Provisions section L.4 is satisfied through fuel oil sulfur content monitoring using the method and frequency described under 40 CFR 75 Appendix D.

V. REPORTING AND RECORDKEEPING - see General Provisions, section F.

A. Unless otherwise provided, the permittee shall keep on site at the plant each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the District or the Administrator[40 CFR 72.9(f)(1)]:

1. The certificate of representation for the designated representative for the plant and each affected unit at the plant and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the plant beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

2. Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

3. Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

B. The designated representative of the plant and each affected unit at the plant shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75[40 CFR 72.9(f)(2)].

C. The permittee shall notify the District by telephone as soon as possible prior to planned fuel switches from natural gas to fuel oil with the date and time of such planned fuel switch[Regulation 1, Rule 240(d)].

VI. OPERATING CONDITIONS - see General Provisions, section C.

A. The boiler shall be fired only with natural gas and/or fuel oil.[Regulation 1, Rule 240]

B. If the permittee fires the boiler with more than 15% per year or 10% per three year average heat input from fuel oil, then a COMS shall be installed per 40 CFR 75.14[40 CFR 75.14(c)].

C. Fuel oil sulfur content shall not exceed 1.7% as determined in accordance with 40 CFR 75 Appendix D.[Regulation 1, Rule 240]

(2) Permit Number - NS-021(Steam Generator).
Name - Boiler #2

I. BASIC EQUIPMENT - The permittee operates a steam generator manufactured by Riley Stoker, rated at 680 million Btu/hr heat input or 566,250 lbs/hr steam output at 850 psig, 900° F. The boiler is fired with natural gas and/or fuel oil and maximum electrical generation is 53 MW.

II. CONTROL EQUIPMENT - None

III EMISSIONS LIMITATIONS

A. Particulate Matter

1. Particulate loading - The permittee shall not discharge particulate matter into the atmosphere in excess of 0.20 gr/dscf of exhaust gas, calculated to 12 percent CO[Regulation 1, Rule 420(a)]

2. Visible emissions - see General Provisions, section L.

B. Sulfur Dioxide - see General Provisions, section L.

1. The permittee shall:

a. Effective January 1, 2000, the permittee shall hold allowances, as of the transfer deadline, in the unit's subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit[40 CFR 72.9(c)(1)(i)].

2. An affected unit shall be subject to the requirements under section III.B.1(NS-021) as follows:

a. Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or

b. Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).

3. Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program[40 CFR 72.9(c)(4)].

4. An allowance shall not be deducted in order to comply with the requirements under section III.B.1.a(NS-021) prior to the calendar year for which the allowance was allocated[40 CFR 72.9(c)(5)].

5. An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, this permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization[40 CFR 72.9(c)(6)].

C. Excess Emissions -

1. For any affected unit in the Acid Rain Program excess emissions in a calendar year, the designated representative shall submit a proposed offset plan, as required under 40 CFR part 77[40 CFR 72.9(e)(1)].

2. For any affected unit in the Acid Rain Program excess emissions in a calendar year, the permittee shall:

a. Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77[40 CFR 72.9(e)(2)(i)]; and

b. Comply with the terms of an approved offset plan, as required in 40 CFR part 77[40 CFR 72.9(e)(2)(ii)].

IV. COMPLIANCE MONITORING

A. The following methods shall be used for determining compliance with the above emissions limitations:

1. Particulate Matter - CARB Method 5 or other EPA approved method.

The permittee shall be required to have particulate matter from the boiler of permit unit NS-021 tested once during a permit term should the boiler continuously fire oil during the permit term in excess of 120 hours. Once this occurs, the permittee shall have 6 months to complete the testing requirement[Regulation 1, Rule 240(d)].

2. Visible Emissions - EPA Reference Method 9 or other EPA approved method.

The permittee shall perform a "Visible Emission Evaluation"(VEE) at least once per quarter while the boiler fires oil should the boiler require oil firing for emergency backup purposes. A CARB certified contractor or the District shall be hired to perform such an evaluation. An emergency is defined as:

a. an interruption in natural gas service due to an unforeseeable failure, malfunction, or natural disaster, not resulting from an intentional or negligent act or omission on the part of the permittee, or

b. a natural gas supply restriction resulting from:

i. an operation of a California Public Utilities Commission approved priority allocation system, or

ii. the issuance of an Operational Flow Order or Emergency Flow Order as defined in Tariff Rule 14, "Capacity Allocation and Constraint of Natural Gas Service," implementing PG&E's Gas Accord Settlement (Application 92-12-043, et. al., approved in Decision 97-08-055).

For all non-emergency oil firing, the permittee shall be required to have a VEE performed during the startup of the boiler on fuel oil and thereafter on a weekly schedule. The VEE period shall be a minimum of six (6) minutes unless any one reading is greater than the visible emissions limit, then the observation period shall be a minimum of 60 minutes or until a violation of the emissions limit has been documented, whichever period is shorter.

A VEE shall not be required while the boiler fires on natural gas[Regulation 1, Rule 240(d)].

3. Sulfur Dioxide & Nitrogen Oxides - EPA Reference Method 6, 7E, CARB Method 100 or CEMS as applicable or other EPA approved method. Requirements specified in 40 CFR parts 74,75, and 76.

a. The permittee will install, operate at all times, and maintain a continuous monitoring system for nitrogen oxides, sulfur dioxide and a diluent as specified in 40 CFR Part 75.

b. The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with applicable Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.

c. General Provisions section L.4 is satisfied through fuel oil sulfur content monitoring using the method and frequency described under 40 CFR 75 Appendix D.

V. REPORTING AND RECORDKEEPING - see General Provisions, section F.

A. Unless otherwise provided, the permittee shall keep on site at the plant each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the District or the Administrator[40 CFR 72.9(f)(1)]:

1. The certificate of representation for the designated representative for the plant and each affected unit at the plant and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the plant beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

2. Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

3. Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

B. The designated representative of the plant and each affected unit at the plant shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75[40 CFR 72.9(f)(2)].

C. The permittee shall notify the District by telephone as soon as possible prior to planned fuel switches from natural gas to fuel oil with the date and time of such planned fuel switch[Regulation 1, Rule 240(d)].

VI. OPERATING CONDITIONS - see General Provisions, section C.

A. The boiler shall be fired only with natural gas and/or fuel oil.[Regulation 1, Rule 240]

B. If the permittee fires the boiler with more than 15% per year or 10% per three year average heat input from fuel oil, then a COMS shall be installed per 40 CFR 75.14[40 CFR 75.14(c)].

C. Fuel oil sulfur content shall not exceed 1.7% as determined in accordance with 40 CFR 75 Appendix D.[Regulation 1, Rule 240]

I. BASIC EQUIPMENT - The permittee operates two gas turbines manufactured by Pratt & Whitney, model MFT4, each rated at 227 million Btu/hr heat input. The turbines are fired with distillate fuel oil or equivalent distillate fuel oil and maximum electrical generation is 30 MW.

II. CONTROL EQUIPMENT - None

III. EMISSIONS LIMITATIONS

A. Particulate Matter

1. Particulate loading - The permittee shall not discharge particulate matter into the atmosphere in excess of 0.20 gr/dscf of exhaust gas, calculated to 12 percent CO₂ [Regulation 1, Rule 420(a)]

2. Visible emissions - see General Provisions, section L.

B. Sulfur Dioxide - see General Provisions, section L.

C. Nitrogen Oxides - The permittee shall not discharge nitrogen oxides, calculated as NO₂, into the atmosphere in excess of 0.70 lbs/million Btu heat input [EPA PSD permit issued 4/28/77 and revised 2/23/79 and 12/11/81].

IV. COMPLIANCE MONITORING

A. The following methods shall be used for determining compliance with the above emissions limitations:

1. Particulate Matter - CARB Method 5 or other EPA approved method.

2. Visible Emissions - EPA Reference Method 9 or other EPA approved method.

The permittee shall perform a "Visible Emission Evaluation"(VEE) at least once between startup and shutdown for each turbine as indicated below. The evaluation period shall be a minimum of six (6) minutes unless any one reading is greater than the visible emissions limit, then the observation period shall be a minimum of 60 minutes or until a violation of the emissions limit has been documented, whichever period is shorter. A CARB certified contractor or the District shall be hired to perform such an evaluation. A VEE shall be required under the following conditions:

a. Planned Events

i. No VEE for events lasting less than 24 hours;

ii. For events lasting more than 24 hours, a VEE shall be required within 24 hours (next business day if startup occurs on a Saturday, Sunday or Holiday) and weekly thereafter if firing continues.

b. Unplanned Events

i. No VEE for events lasting less than 72 hours;

ii. For events lasting more than 72 hours, a VEE shall be required within 72 hours and weekly thereafter if firing continues.

3. Nitrogen Oxides - EPA Reference Method 7E, CARB Method 100 or other EPA approved method.

The permittee shall be required to have the oxides of nitrogen from each of the gas turbines of permit unit NS-057 tested once per permit term.

4. Sulfur Dioxide - Oil sulfur content shall be monitored in accordance with Sections V.C. and VI.B.(NS-057) in order to meet the limitations of Section III.B(NS-057). ASTM method D 4294 or more current method shall be used to determine the sulfur content for each shipment of oil received.

V. REPORTING AND RECORDKEEPING - see General Provisions, section F.

The following conditions are from EPA PSD permit issued on 4/28/77 and revised on 2/23/79 and 12/11/81.

A. The permittee shall maintain a log of the nitrogen content of the diesel oil received as fuel for the turbines. Nitrogen content shall be measured using the most current ASTM method, or by methods approved by the District, or as certified by the supplier.

B. A log shall be maintained which indicates the date and the number of hours of turbine operation for each turbine.

C. A log shall be maintained which indicates the amount and percent by weight of sulfur for each shipment of turbine fuel oil combusted in the turbines.

D. The permittee shall notify the District by telephone as soon as possible prior to planned turbine operation with the date and time of such planned operation.

VI. OPERATING CONDITIONS - see General Provisions, section C.

The following conditions are from EPA PSD permit issued on 4/28/77 and revised on 2/23/79 and 12/11/81.

A. The turbines shall be fired only with diesel oil or equivalent distillate fuel oil.

B. The turbine fuel oil sulfur content shall not exceed 0.5% by weight.

C. The turbines shall be maintained and kept in good operating condition to assure compliance with applicable emission limitations.

D. Each turbine will be operated for no more than 1560 hours during any 365-day period.

B. Exempt Equipment

Equipment and operations not specifically identified in this permit are not subject to specific federally-enforceable operating conditions or emission limitations. Such equipment and operations are subject to applicable General Provisions of this permit.

GENERAL PROVISIONS

These general provisions apply to all facilities or sources owned or operated by the permittee as detailed in this permit.

A. Fee Payment - The Permittee shall pay an annual permit fee and other fees as required in accordance with Regulation 1, Rule 300 of the District. Failure to pay these fees will result in forfeiture of this Permit to Operate. Operation without a permit subjects the source to potential enforcement action by the District and the US EPA pursuant to section 502(a) of the Clean Air Act as amended in 1990. [40 CFR 70.6(a)(7); Regulation 5, Rule 670]

B. Inspection and Entry - Upon presentation of credentials and other documents as may be required by law, the permittee shall allow the District, CARB, EPA or an authorized representative to perform the following:

1. Enter upon the permittee's premises where a regulated facility or emissions-related activity is located or conducted, or where records must be kept under the conditions of this permit.
2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit.
3. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit.
4. Sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the conditions of this permit.
[40 CFR 70.6(c)(2); Regulation 5, Rule 610(e)]

C. Facilities Operation

1. Operation under this permit must be conducted in compliance with all data and specifications included in the application which attest to the operator's ability to comply with District Rules and Regulations[Regulation 1, Rule 240(d)].
2. All nonexempt equipment of this permit shall at all times be maintained in good working order and be operated as efficiently as possible to assure compliance with all applicable emission limits[Regulation 1, Rule 240(d)].
3. Operational Limit - This permit is valid for a maximum of 365 days per year at 24 hours per day[Regulation 1, Rule 240(d)].

D. Compliance

1. The permittee must comply with all conditions of this permit. Any noncompliance with federally enforceable terms and conditions of this permit constitutes a violation of the Federal Clean Air Act and is grounds for enforcement action(including monetary civil penalties); for permit termination, revocation and reissuance, or modification; or for denial of an application for reissuance of the permit[40 CFR 70.6(a)(6); Regulation 5, Rule 610(g)].
2. The need to halt or reduce activity is not a defense. It shall not be a defense for a permittee in an enforcement action that it would be necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit[40 CFR 70.6(a)(6); Regulation 5, Rule 610(g)].
3. A pending permit action or notification of anticipated noncompliance does not stay any permit condition[Regulation 5, Rule 610(g)5].
4. The permittee shall furnish to the District, within a reasonable time, any information that the District may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit or to determine compliance with this permit. Upon request, the permittee shall also furnish to the District copies of records required to be kept by this permit[40 CFR 70.6(a)(6)].
5. The permittee shall provide to the District on an annual basis a completed "Compliance Certification" form which certifies the compliance status of the facility. The compliance certification form must be signed by a responsible company official and contain a statement that the information contained in the Compliance Certification is true, accurate, and complete. A semi-annual compliance certification report shall be submitted to document the compliance schedule of any source out of compliance[40 CFR 70.6(c); Regulation 5, Rule 610(g)].
6. If the permittee knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, this permit, or a written exemption under 40 CFR 72.7 or 72.8, including any

requirement for the payment of any penalty owed to the United States, the permittee shall be subject to enforcement pursuant to section 113(c) of the Act[40 CFR 72.9(g)(1)].

7. If the permittee knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001[40 CFR 72.9(g)(2)].

8. No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect[40 CFR 72.9(g)(3)].

9. The plant and each affected unit shall meet the requirements of the Acid Rain Program[40 CFR 72.9(g)(4)].

10. Any provision of the Acid Rain Program that applies to the plant (including a provision applicable to the designated representative of the plant) shall also apply to the permittee and any affected units at the plant[40 CFR 72.9(g)(5)].

11. Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by the plant or an affected unit, or by the permittee or designated representative of such plant or unit, shall be a separate violation of the Act[40 CFR 72.9(g)(7)].

12. No provision of the Acid Rain Program, an Acid Rain permit application, this permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as[40 CFR 72.9(h)]:

a. Except as expressly provided in title IV of the Act, exempting or excluding the permittee and , to the extent applicable, the designated representative of the plant or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans:

b. Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;

c. Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;

d. Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,

e. Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

13. Effective January 1, 2000, each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act[40 CFR 72.9(c)(2)].

E. Severability - If any term or condition of this permit shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect or invalidate the remainder of this permit. [40 CFR 70.6(a)(5); Regulation 5, Rule 610(h)]

F. Recordkeeping and Reporting

1. The permittee shall retain records of all required monitoring data and support information including the date, place, time and results of any sampling or analysis, and the operating conditions at the time of sampling for a period of at least five (5) years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and copies of all reports required by this permit.[40 CFR 70.6(a)(3)(ii)(B); Regulation 5, Rule 455]

2. The permittee shall report to the District any deviations from these permit requirements, including those attributable to breakdown conditions, the probable cause of the deviations, and any corrective actions or preventive measures taken. Procedures of Regulation 1, Rule 540 shall be followed in the reporting of such deviations. A breakdown log shall be maintained for recordkeeping purposes. [40 CFR 70.6(a)(3)(iii)(B); Regulation 5, Rule 460; Regulation 1, Rule 540]

3. The permittee shall report to the District calendar year plant operating information which includes the number of operating days for each boiler and turbine, and the amount of fossil fuel combusted in each boiler and turbine. In addition, the permittee shall supply an emissions inventory for each calendar year for nitrogen oxides, sulfur oxides, carbon monoxide, hydrocarbons and particulate matter for each boiler and turbine based upon the CEM data, emissions factors or source test data which represents the best data for the inventory year[Regulation 1, Rule 240(d)].

4. The permittee shall submit a report of any required monitoring every 6 months. The report shall be certified by the responsible official. [40 CFR 70.6(a)(3)(iii)(A); Regulation 5, Rule 460]

5. The permittee shall submit by February 28th of each year, a combined report to comply with the General Provisions sections D.5 and F.3[Regulation 1, Rule 240(d)].

G. Transfer of Ownership -In the event of any changes in control or ownership of these facilities, this permit together with its terms and conditions shall be binding on all subsequent owners and operators. The permittee shall notify the succeeding owner and operator of the existence of this permit and its conditions by letter, a copy of which shall be forwarded to the District [Regulation 1, Rule 240(j)].

H. Reopening for Cause

1. This permit may be modified, revoked, reopened, reissued, or terminated for the following reasons:
 - a. Additional requirements under the federal Clean Air Act become applicable to the facility for which three or more years remain on the original term of the permit. Such a reopening shall be completed not later than 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which the permit is to expire.
 - b. The District or EPA determines that the permit contains a material mistake made in establishing the emissions standards or limitations, or other requirements of the permit.
 - c. The District or EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements.
[40 CFR 70.7(f); Regulation 5, Rule570]
2. The reopening of this permit for a change to be implemented for a specific permit unit will be allowed without the need to reopen the entire permit and all permit units. Should a general condition be changed, all the associated permit units affected would be reopened[Regulation 1, Rule 240(d)].
3. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition[40 CFR 70.6(a)(6)].

I. Property Rights - This permit does not convey any property rights of any sort, or any exclusive privilege. [40 CFR 70.6(a)(6)]

J. Permit Renewal and Expiration - This permit is effective on the date of issuance and will expire in five years and must be renewed every five years thereafter. Some parts of the acid rain portion of this permit do not apply until January 1, 2000. These parts will automatically become effective on January 1, 2000 without the need to reopen this permit. Other parts of the acid rain portion of this permit such as the continuous monitoring requirements of Phase I, become effective on the date of issuance of this permit. Permit expiration terminates the permittee's right to operate unless a timely and complete renewal application is submitted. For renewal of a permit, the designated representative shall submit a complete District application no earlier than 18 months and no later than 6 months before the expiration date of the current permit. [40 CFR 70.5(a); Regulation 5, Rule 405(b)]

K. Permit Modification - The permittee shall submit an application for a minor or significant permit modification in accordance with District Regulation 5. [40 CFR 70.5(a); Regulation 5, Rule 405]

L. Prohibitions - These limitations apply to all emissions sources at the permittee's facility unless more specific and limiting requirements are listed for a individual permitted emissions unit in this permit.

1. **Public Nuisance** - The permittee shall not discharge such quantities of air contaminants or other material which cause injury, detriment, nuisance or annoyance to any considerable number of persons or to the public or which endanger the comfort, repose, health or safety of any such persons or the public or which cause or have an natural tendency to cause injury or damage to business or property.[H&S 41700]

2. **Visible Emissions** - The permittee shall not discharge into the atmosphere from any source whatsoever any air contaminant for a period or periods aggregating more than three (3) minutes in any one hour which is as dark or darker in shade as that designated as No. 2 on the Ringlemann Chart, as published by the United States Bureau of Mines; or of such opacity as to obscure an observer's view to a degree equal to or greater than Ringlemann 2 or forty (40) percent opacity[Regulation 1, Rule 410(a)].

3. **Fugitive Dust Emissions** - The handling, transporting, or open storage of material in such a manner which allow unnecessary amounts of particulate matter to become airborne, shall not be permitted. Reasonable precautions shall be taken to prevent particulate matter from becoming airborne[Regulation 1, Rule 430].

4. **Sulfur Oxide Emissions** - The permittee shall not discharge into the atmosphere from any single source of emissions whatsoever sulfur oxides, calculated as sulfur dioxide (SO₂) in excess of 1,000 ppm[Regulation 1, Rule 440].

5. **Circumvention** - The permittee shall not construct, erect, modify, operate, or use any equipment which conceals an air contaminant emission, which would otherwise constitute a violation of the limitations of this permit, unless the operation or use of said equipment results in a significant reduction in the total emission of air contaminants[Regulation 1, Rule 400(b)].

6. **Regulation 2, Open Burning Procedures** - The permittee shall not ignite or cause to be ignited or suffer, allow or maintain any open outdoor fire for the disposal of rubber, petroleum or plastic wastes, demolition debris, tires, tar paper, wood waste, asphalt shingles, linoleum, cloth, household garbage or other combustible refuse; or for metal salvage or burning of motor vehicle bodies except as provided in Rule 2-102, Exemptions[Regulation 2].

7. **Title VI, Stratospheric Ozone Protection** - The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR Part 82, Subpart F, and 40 CFR Part 82, Subpart B, Servicing of Motor Vehicle Air Conditioners.

8. **National Emission Standard for Asbestos** - The permittee shall comply with the standards of 40 CFR Part 61 Subpart M which regulates demolition and renovation activities at the power plant as pertaining to asbestos materials.

This permit does not authorize the emission of air contaminants in excess of those allowed by the Health and Safety Code of the State of California or the Rules and Regulations of the North Coast Unified Air Quality Management District as stated in this permit. Any regulation or rule not cited in this permit which may be applicable to a particular emission unit will not be enforceable. This permit cannot be considered as permission to violate existing laws, ordinances, regulation or statutes of other governmental agencies. The violation of any of these terms and conditions shall be grounds for revocation of this permit, and shall be a violation of District Rules and Regulations.

**NORTH COAST UNIFIED
AIR QUALITY
MANAGEMENT DISTRICT**

2300 MYRTLE AVENUE
EUREKA, CALIFORNIA 95501

PHONE (707) 443-3093
FAX (707) 443-3099

DATE:_____ BY:_____

WAYNE MORGAN,
AIR POLLUTION CONTROL OFFICER



Permit Seal

permits/PGE5PO